

290 - HEALTH MAINTENANCE ORGANIZATION HEALTH PLANS ISF

Operational Summary

Description:

The Health Maintenance Organization Health Plans Internal Service Fund (ISF) provides health benefits to employees, retirees, and their dependents enrolled in health plans covered by Health Maintenance Organizations (HMO).

Strategic Goals:

- Fund 290 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

FY 2004-05 Key Project Accomplishments:

- None. This is a new Internal Service Fund starting Fiscal Year 05-06. The funds for the health plans covered by Health Maintenance Organizations (HMO) was originally in a Trust Fund.

Health Maintenance Organization Health Plans ISF - The Health Maintenance Organization Health Plans Internal Service Fund (ISF) provides health benefits to employees, retirees and their dependents enrolled in health plans covered by Health Maintenance Organizations (HMO).

Ten Year Staffing Trend Highlights:

- This Internal Service Fund has no positions.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Fund 290 is one of the funds under Employee Benefits. The Employee Benefits Division supports the Human Resources Department's Business and Strategic Plan as they relate to the design, implementation and administration of employee benefits programs.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	
Total Final FY 2005-2006	84,927,391
Percent of County General Fund:	N/A
Total Employees:	.00

Changes Included in the Base Budget:

Fiscal Year 05-06 is the first year of budgeting for this new ISF. The budgeted amount for expenditures for July to December 2005 is based on the current average monthly premium. For January to June 2006, an estimated premium increase was added to the average monthly premium in anticipation of health plan premium increases for the 2006 plan year.

For revenue, the budgeted amount is the same as the current average monthly premium. The same percentage increase used in budgeting expenditures was used to budget for the January to June 2006 premium revenue. However, on a month to month basis, premium revenue collected will not match dollar for dollar to premiums paid due to timing of deductions and retroactive enrollment changes.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05	Final Budget	Actual Amount	Percent
Total Revenues	0	0	0	84,927,391	84,927,391	0.00
Total Requirements	0	0	0	84,927,391	84,927,391	0.00
Balance	0	0	0	0	0	0.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Health Maintenance Organization Health Plans ISF in the Appendix on page page 659

Highlights of Key Trends:

- There are no budgeted County fees assigned as expenses within this fund as the Auditor Controller has determined that County fees such as CWCAP and Single Audit Costs are not appropriate given the uses and reve-

nue sources of this fund. Premium revenue is designed to fund only premium expenses. If a future decision imposes new non-premium costs to this fund, Net County Cost appropriations will be required to fund these expenses.

290 - Health Maintenance Organization Health Plans ISF

Operation of Internal Service Fund Operational Statement for the Fiscal Year 2005-2006

Operating Detail		FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2005-2006
		Actual	Actual	Proposed Budget	Final Budget
(1)		(2)	(3)	(4)	(5)
OPERATING INCOME					
7710	Insurance Premiums	0	0	83,340,722	83,340,722
Total Operating Income		0	0	83,340,722	83,340,722
OPERATING EXPENSES					
3520	Insurance Claims	0	0	84,927,391	84,927,391
Total Operating Expenses		0	0	84,927,391	84,927,391
Net Operating Income (Loss)		0	0	(1,586,669)	(1,586,669)
Income (Loss) Before Contributions & Transfers		0	0	(1,586,669)	(1,586,669)
STATEMENT OF CHANGES IN NET ASSETS - UNRESTRICTED					
Income (Loss) Before Contributions & Transfers		0	0	(1,586,669)	(1,586,669)
7813	Interfund Transfers In - from Fund 300	0	0	1,586,669	1,586,669
Increase (Decrease) in Net Assets - Unrestricted		0	0	0	0
Net Assets - Unrestricted - Beginning of Year		0	0	0	0
Net Assets - Unrestricted - End of Year		0	0	0	0